



**REGIONAL TRANSPORTATION IMPACT FEE (RTIF)
TECHNICAL WORKING GROUP
MEETING AGENDA**

**Wednesday, August 19, 2009
Start at 1:30 p.m. in STA Main Conference Room**

**STA Main Conference Room
One Harbor Center, Suite 130
Suisun City, CA 94585**

<u>ITEM</u>	<u>ACTIVITY</u>	<u>ADMINISTRATOR</u>
I. CALL TO ORDER—SELF INTRODUCTIONS		Sam Shelton, STA
II. APPROVAL OF THE AGENDA		Sam Shelton, STA
III. APPROVAL OF APRIL 4, 2009 & JULY 22, 2009 MEETING MINUTES		Sam Shelton, STA
IV. INFORMATION ITEMS		
A. Local Transportation Impact Fee Coordination (1:40 – 1:45 p.m.)		Sam Shelton, STA
B. STA Model Update Status (1:45 – 1:55 p.m.)		Bob Macaulay, STA
C. Nexus Study Delivery Schedule (1:55 – 2:00 p.m.)		Sam Shelton, STA
D. Project Selection Criteria (2:30 – 2:45 p.m.)		Jason Moody, Economic & Planning Systems
E. Model Validation Standards for RTIF Criteria measurements (2:45 – 3:00 p.m.)		Marc Feldman, Fehr & Peers
III. ADJOURNMENT		Sam Shelton, STA
The next RTIF Technical Working Group meeting is scheduled for October 21, 2009 at 1:30pm in STA Conference Room 1.		



**REGIONAL TRANSPORTATION IMPACT FEE (RTIF)
TECHNICAL WORKING GROUP
Minutes for the meeting of
April 1, 2009**

I. CALL TO ORDER

The RTIF Technical Working Group was called to order at approximately 12:00 p.m. in the Solano Transportation Authority's Main Conference Room.

Present:

Working Group Members Present:	Royce Cunningham	City of Dixon
	Erin Beavers	City of Fairfield
	Gene Cortright	City of Fairfield
	Heather McCollister	City of Suisun City
	Gary Leach	City of Vallejo
	Paul Wiese	County of Solano

STA Staff Present:

Daryl Halls	STA
Janet Adams	STA
Robert Macaulay	STA
Robert Guerrero	STA
Sam Shelton	STA
Kenny Wan	STA

II. INFORMATION ITEMS

A. Introduction to EPS & Approach to Completing the Scope of Work

Jason Moody with Economic Planning Systems (EPS) gave an overview of how EPS consultants will carry out the scope of work for the STA's RTIF Nexus Study. Julie Morgan with Fehr & Peers described her tasks regarding the use of the STA's travel demand model. Janet Adams noted that the RTIF working group will be reviewing the travel demand model's validation context and help develop project selection criteria at their next meeting.

Gary Leach asked if local fees can pay for a portion of a RTIF project. Jason Moody replied that projects can be funded with multiple fund sources. Mr. Moody added that multiple fee programs cannot charge new development for the same impacts. Royce Cunningham added that local fees can provide matching funds for federal or state funds, acting as seed money. Mr. Moody reminded the working group that project selection criteria will help select RTIF projects and that projects can be funded with both local fees and regional fees; however, impacts from new development cannot be charged twice by both the local fee program and the regional fee program.

Gary Leach asked about a potential developer credits toward the regional fee program if local fees already charge for the impact. Jason Moody stated that to avoid charging twice, local programs can choose not to charge the local fee or the regional program can offer credits.

Paul Wiese asked if a fee program needs to refund fees charged if there is insufficient funds to actually build the project in 5 years. Jason Moody answered that those situations would never occur since the maximum fee allowed under the nexus study is never completely collected by the real fee program and that the funding is not always connected to the delivery of specific projects but just the list of projects that are part of the fee program.

Heather McCollister noted that the STA Board preferred that the fee program be a uniform fee. Daryl Halls discussed that many options are still on the table (e.g., sub-area groups and return to source programs) and that it is too early to discuss what fee structures will be used; however, Mr. Halls did note that it was the STA Board's direction to review a uniform countywide fee. Mr. Halls added that after additional technical analysis, the STA will have program direction discussions with the RTIF Policy Committee.

Paul Wiese asked if the fee could be significantly discounted to promote economic growth. Gary Leach agreed that most cities are looking to lower fees. Daryl Halls noted that many fees are indexed to construction costs or numbers of building permits.

B. Timeline of Meetings and Deliverables to Review

Sam Shelton reviewed a preliminary timeline of meetings and deliverables. Many group members noted that the schedule assumes that the STA travel demand model is ready for use.

Bob Macaulay discussed the potential membership of the Stakeholders committee and asked if the working group had suggestions for additional members. Erin Beavers suggested that tax payer groups will want to be invited. Royce Cunningham noted that developers will be mostly negative.

Gary Leach asked if the fee would be applied to projects that have vested maps. Erin Beavers stated that the City of Fairfield's development agreements note that the developer may be subject to additional non-city related fees. Mr. Beavers noted that an agreement with a city does not protect a developer from additional fees from another agency. Janet Adams stated that fees such as the RTIF would probably be paid when permits are pulled or homes occupied.

Daryl Halls noted that cities can opt in or out of the fee program, since the RTIF would be part of a new JPA or participating cities.

Paul Wiese asked how a multi-agency project would be funded if a one agency were to opt out of the regional fee. Daryl Halls stated that the participating agencies will help choose the projects as members of the RTIF JPA.

Daryl Halls noted that some RTIFs use a "Return to Source" formula to establish a difference between regional and local project funds, such as Western Riverside County. Gary Leach stated that the local needs of Fairfield and Vacaville will be very different than Vallejo and Benicia's needs.

Julie Morgan asked to poll the working group about a potential fee level. Erin Beavers stated that it is too soon to tell what would constitute a reasonable fee level. Mr. Beavers continued by stating that going through the scope of work for the RTIF process should develop the information needed to understand what they fee level might be. Royce Cunningham added that fee levels could be phased in as the economy gets better. Jason Moody noted that no one is losing potential fee money now since no one is developing. Mr. Moody added that fee programs can be indexed to the cost of construction materials.

Erin Beavers asked the working group when they would prefer to collect the fee. Gene Cortright stated that it could be possible to collect fees at the time of occupancy. Mr. Beavers noted that this could be possible if it was collected during escrow. Dan Kasperson commented that it would be more than difficult to collect a fee after a permit has been issued.

C. Update on STA's Solano /Napa Travel Demand Model

Bob Macaulay stated that the next STA Model TAC meeting is scheduled for April 16. Mr. Macaulay stated that most of the model's updates are non-dramatic changes to the land use assumptions.

Erin Beavers asked that future modeling information review periods be at least two weeks in length.

D. Local Transportation Impact Fees and Impact Fee Funded Projects

Sam Shelton reviewed the information collected to date on local impact fee programs and projects. Erin Beavers asked that more information be collected regarding the nature of the fees collected for local projects, whether the fees were collected as part of an AB1600 fee or a specific area fee.

Daryl Halls noted that the STA needs this information so that the STA does not charge a fee already collected for existing local impact fee projects.

III. ADJOURNMENT

The meeting was adjourned at 2:00 p.m. The next meeting of the STA RTIF Working Group meeting will be scheduled for late May 2009.



**REGIONAL TRANSPORTATION IMPACT FEE (RTIF)
TECHNICAL WORKING GROUP
Minutes for the meeting of
July 22, 2009**

I. CALL TO ORDER

The RTIF Technical Working Group was called to order at approximately 1:30 p.m. in the Solano Transportation Authority's Main Conference Room.

Present:

Working Group Members Present:	Mike Roberts	City of Benicia
	Jason Riley	City of Dixon
	Erin Beavers	City of Fairfield
	Gene Cortright	City of Fairfield
	Emi Theriault	City of Rio Vista
	Alysa Majer	City of Suisun City
	April Wooden	City of Suisun City
	Ozzie Hilton	City of Vacaville
	Gary Leach	City of Vallejo
	Paul Wiese	County of Solano
	Jim Fiack	County of Solano

STA Staff Present:

Janet Adams	STA
Robert Macaulay	STA
Robert Guerrero	STA
Sam Shelton	STA
Jason Moody	Economic Planning Systems
Julie Morgan	Fehr & Peers

II. APPROVAL OF THE AGENDA

On a motion from Gene Cortright, and a second from Erin Beavers, the STA RTIF Technical Working Group unanimously approved the agenda.

III. APPROVAL OF APRIL 4, 2009 MEETING MINUTES

With general consensus, the RTIF Technical Working Group tabled the item until their next meeting.

IV. INFORMATION ITEMS

A. Appropriate Model Validation Standards for RTIF Nexus Study

Bob Macaulay reviewed the STA Model TAC's recent discussion regarding Solano Napa Demand Model validation standards for use in the RTIF Nexus Study. Mr. Macaulay stated that he was collecting recommended actions from the Model TAC to improve the model's accuracy at the arterial level and suggested model validation standards.

Julie Morgan began her discussion of model validation criteria, noting that the model is one tool to measure the "fair share" of development impacts. Ms. Morgan continued by noting that validation standards need not be strenuous for smaller streets, since the maximum fee nexus is seldom adopted, giving any study a comfortable cushion between modeling error and fees charged.

Paul Wiese asked what were typical percentages of maximum nexus fees to actual adopted fees. Julie Morgan answered that she has seen programs anywhere between 25% and 90%, depending on specific projects and the impact fee program vision.

Gene Cortright requested clarification of Julie Morgan's notion that the model did not need to be accurate at the arterial street level because the fee would never reach the maximum fee nexus studied. Ms. Morgan replied that the regional model would be accurate enough to determine regional impact shares for projects and that the model could afford a certain level of error due the cushion created by the political realities of adopting a lower fee program. Mr. Cortright argued that the model would still need to be accurate to calculate the number of trips generated to better understand the regional distribution of trips. Ms. Morgan noted that the accuracy level of the model depends on its use, such as the criteria for selecting projects.

Jim Fiack asked if EPS or Fehr & Peers have seen any studies connecting commercial impact fees to commercial development rates, particularly if one encourages or discourages the other. Jason Moody answered that the studies that EPS has conducted have shown that impact fees can have a positive effect on commercial business, but noted that there are many more important factors at work beside fee levels, such as access to a educated labor force and travel reliability and costs. Paul Wiese theorized that more fees would help fund new transportation infrastructure, improving mobility and making things better for business. Mr. Moody agreed with Mr. Wiese's assessment, adding that fees can also match other funds, helping to deliver projects faster.

Erin Beavers noted that new local employers could argue that they reduce "regional trips" instead of generate them, by creating local jobs which replace Bay Area commuting trips for local residents.

B. Prioritized Project Selection Criteria

Jason Moody began the project criteria discussion, stating that a travel demand model is one tool to create a fee. Mr. Moody stated that criteria can be applied as either an absolute criteria (in or out), relative criteria (better or worse), or threshold criteria (in or out if a specific threshold is met). Mr. Moody reminded the working group that the first criteria of an AB1600 Nexus Study is that no fee can be charged to repair existing deficiencies and that a fee cannot be charged twice (double dipping) for the same impact.

Jason Moody asked the working group if they had any initial questions prior to discussing each example criteria in turn. Erin Beavers asked if the "Included in Local Fee Program" criteria was about excluding or including local TIF funded projects. Mr. Moody answered that the criteria would screen out local TIF projects to help avoid double dipping, but would create less opportunity to share funding resources for a regional project. Mr. Moody noted that a regional fee can create greater fee equity and clarity instead of local agencies using their local TIF dollars for regional projects.

Gary Leach noted that transit projects should also be considered by adding a "Transit projects of Regional Significance" criteria.

Jason Moody described the "regional significance threshold" criteria, defining "regional trips" as those trips that do not simply pass through the county, but do begin and end in the county. Mr. Moody also noted that other methods for defining regional trips can be used, such as trips that between cities or fee districts. Emi Theriault stated that the term regional and a trip threshold will need to be clearly defined.

Jason Moody discussed the "regional equity threshold" criteria, which uses a percent of project costs by fee district or jurisdiction, meaning that it would not be dependent on technical modeling. Mr. Moody explained that a criteria that uses "regional trips" will need to use a model. Emi Theriault asked if the STA's travel demand model was accurate enough to measure regional trips. Jason Moody and Julie Morgan both answered that the model could be accurate enough, but it would depend on how the definition of the criteria (e.g., freeway volumes, fee area screenlines, arterials, etc.).

Paul Wiese noted that safety impacts are not listed as potential criteria but that many congestion related criteria are listed. Mr. Wiese asked that safety criteria be added for consideration.

Gary Leach asked if the STA travel demand model could predict mode split changes. Ozzie Hilton answered that mode splits are assumptions built into the model, not results derived from the model.

Jason Moody described how existing deficiencies can be considered in screening criteria. Mr. Moody stated that existing deficiencies can be repaired if new development is paying their "fair share" of the project and not all of the cost of project. Paul Wiese noted that a road may still have an LOS of A before and after new development adds trips to the road, but a developer could pay their fair share for safety improvements to that road (e.g., wider lanes and shoulders), bring that roadway up to the County's Roadway standards.

Jason Moody described the remaining criteria (e.g., policy committee pick-list, time horizon, exclude state and federal facilities, vehicle miles traveled) without significant working group discussion.

Janet Adams noted that each of these criteria will need to be clearly identified as either absolute, relative, or threshold criteria. Jason Moody noted that projects will be screened out first, then prioritized with relative criteria afterwards. Mike Roberts noted that the working group should consider both the screening criteria and the prioritization criteria at the same time.

Sam Shelton asked that the working group review and suggest criteria for the RTIF nexus study's use by August 7, which will be discussed on August 19.

C. Local Transportation Impact Fee Coordination

Sam Shelton reviewed the collected material from local agencies regarding their current and pending local TIFs. Sam Shelton asked for review of this list by August 7.

Julie Morgan asked if projects currently in a local agency's development agreement would be protected from regional agency's impact fee. Erin Beavers answered that a local agency has no ability to make guarantees beyond their authority, so a development agreement would probably not protect a developer from paying an additional RTIF related fee, prior to completing work.

D. STA RTIF Website Review

Sam Shelton reviewed the available RTIF material on the STA's website with the working group and asked that they send any comments by August 7.

III. ADJOURNMENT

The meeting was adjourned at 3:00 p.m. The next meeting of the STA RTIF Working Group meeting will be scheduled for August 19, 2009 at 1:30pm.

Potential RTIF Project Screening Criteria¹

Screening Criteria ²	Description	Advantages	Disadvantages	STA Travel Demand Model Role
Absolute Criteria Included in the CTP, RORS, TORS, or defined RTIF	Only include projects in Comp. Trans. Plan, Routes or Transit Facilities of Regional Significance, or other defined network	Defines parameters of program and narrows the universe of eligible projects	May reduce flexibility to fund desired projects	Not needed
Included in local fee program(s)	Eliminate projects already included in local fee programs	Avoids overlap and complex cost allocation / technical analysis	Reduces opportunities for regional / shared funding	Not needed
Policy Committee "Pick-list"	Only include projects selected / approved by Policy Committee	Reflects stakeholder input / consensus. May enhance flexibility.	May not reflect objective, quantified criteria	Not needed
No existing deficiencies	Eliminate projects that address existing deficiencies	Eliminates projects and simplifies nexus	May reduce flexibility to fund desired projects	Actual traffic counts are better for measuring existing deficiencies
Must address existing deficiencies	Projects must address existing deficiencies and future needs	Ensures existing facilities do not get worse	May reduce flexibility to fund desired projects. Adds complexity to cost allocation.	Actual traffic counts are better for measuring existing deficiencies
Exclude State / Federal Facilities	Exclude projects located on State or federally maintained facilities	Eliminates projects outside local responsibility	Eliminates projects important to regional mobility. Program cannot be used as partial mitigation for impacts on State facilities.	Not needed
Located in unincorporated area	Only include projects at least partially located in unincorporated areas	May help ensure regional nature of RTIF program	May reduce flexibility to fund desired projects	Not needed
Relative or Absolute Criteria Regional significance	Focus on projects that carry a significant number of regional trips (e.g. 30% regional trips)	Provides an objective basis for inclusion / exclusion of projects	Requires technical / modeling accuracy regarding origin-destination patterns	Can be used but should be cautious - more reliable if one looks at project as part of a screenline
Regional equity	Focus on achieving regional equity (e.g., roughly equal proportion of project costs by jurisdiction or fee district)	May promote regional buy-in and geographic equity	May preclude projects with higher utilization	Can be used to predict roughly what % of a given project is used by traffic originating in the different cities within Solano County
Existing / projected traffic characteristics	Select projects that exceed a desired traffic threshold (such as LOS, Vehicle Hours of Delay, AADT, Volume to Capacity ratios, travel time reliability)	Focuses on highly utilized facilities and/or the most needed improvements	Requires technical / modeling accuracy on detailed traffic volume projections. May duplicate or conflict with existing plans / processes.	If existing traffic levels are used, then actual traffic counts would be better. Model can be used in tandem with counts for forecasting traffic levels.
Constrained time horizon	Only include projects expected to be initiated within defined time frame	Eliminates more speculative, long-term projects (5-year updates)	May not capture complete set of projects needed to accommodate future growth	Not needed
Reduction in VMT	Prioritize projects that reduce Vehicle Miles Traveled	Addresses State / Federal GHG policies	A relative rather than absolute criterion	Can be used to determine relative VMT.

(1) List is neither exhaustive or mutually exclusive. It is possible that a hybrid of these options, or others not considered here, can serve as the basis for the final fee.

(2) Screening criteria assumes all projects comply with AB 1600 and are not already fully funded by another source.